## ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013 COMMITTEE STATEMENT LB79

**Hearing Date:** Friday January 25, 2013

Committee On: Government, Military and Veterans Affairs

Introducer: Avery

One Liner: Change political accountability and disclosure provisions and repeal campaign finance laws

## **Roll Call Vote - Final Committee Action:**

Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Avery, Bloomfield, Karpisek, Lautenbaugh, Murante, Price,

Scheer, Wallman

Nay:

Absent: Present Not Voting:

Proponents: Representing:

Senator Bill Avery Introducer

Jack Gould Common Cause Nebraska

Frank Daley Nebraska Accountability and Disclosure Commission

Opponents: Representing:

Neutral: Representing:

## Summary of purpose and/or changes:

LB 79 has three main components. The first component is to repeal the Campaign Finance Limitation Act which was declared unconstitutional by the Nebraska Supreme Court.

The second component changes the thresholds for reporting various contributions and expenditures.

Here are the specifics of how the bill changes contribution and expenditure reporting thresholds:

Committee campaign statements will include the name of each person that contributed \$100 or more. The current standard is more than \$250. Also, the campaign statement will include the name of each person to whom expenditures totaling \$100 or more were made. The current threshold is more than \$250.

Similar language is added for political party committees. The name of each person contributing \$100 or more will be listed on the political party committee campaign statement. The current threshold is more than \$250.

A committee will provide the name of the lender who is liable on each loan of \$100 or more. The current language is more than \$250.

Independent expenditures will be reported when \$100 or more is spent. The current amount is more than \$250.

Corporations, labor organizations, or industry or trade associations that make contributions or expenditures with a value of \$100 or more will file a report with the commission. The current reporting threshold is more than \$250.

The name of each person making an out-of-state contribution of \$100 or more will be disclosed. The current disclosure is contributions of more than \$250.

The definition of late contribution is changed from \$1000 to \$500 or more. Under current law, a late contribution is defined as a contribution received after the closing date for campaign statements and it must be reported to the commission within two days after it is received.

The bill also changes the definition of late independent expenditure from \$1000 to \$500. Current law defines late independent expenditure as one made after the closing date for campaign statements and it must be reported to the commission within 2 days.

The third component of the bill is to require all filings with the commission to be electronic as of January 1, 2016. The commission will develop, implement, and maintain an electronic filing system for campaign statements and other reports required to be filed with the commission and will make such statements and reports available on its web site as soon as practicable.

The bill has several other provisions including requiring each committee to submit to the Accountability and Disclosure Commission periodic account statements from the financial institution designated as having the official depository of all contributions for that committee.

The bill also adds limited liability company or partnership to the list of entities that must establish a separate segregated political fund in order to receive contributions.

Campaign statements and other reports required to be filed with the commission will be filed at or before 5 p.m. Central Time on the due date.

Finally, the State Treasurer will transfer any money in the Campaign Finance Limitation Cash Fund to the Nebraska Accountability and Disclosure Commission Cash Fund to be used for development, implementation, and maintenance of an electronic filing system for campaign statements and other reports.

## **Explanation of amendments:**

The committee amendment strikes the original sections of the bill and replaces them with the following provisions:

Like the original bill, the committee amendment repeals the Campaign Finance Limitation Act.

The committee amendment requires the Nebraska Accountability and Disclosure Commission to develop, implement, and maintain an electronic filing system for campaign statements and other reports required to be filed with the commission and will make such statements and reports available on its web site as soon as practicable.

The amendment provides that any money in the Campaign Finance Limitation Cash Fund be transferred to the Nebraska Accountability and Disclosure Commission Cash Fund to be used for development, implementation, and maintenance of an electronic filing system for campaign statements and other reports. This provision is the same as the original bill.

The amendment also adds limited liability company or partnership to the list of entities that must establish a separate segregated political fund in order to receive contributions. Again, this provision is similar to what is included in the original bill.

The committee amendment removes several provisions from the original bill.

It eliminates all language lowering the thresholds for contributions, expenditures, independent expenditures and late contributions.

The committee amendment also eliminates the language requiring all filings with the commission to be electronic as of January 1, 2016 including the requirement that campaign statements and other reports filed with the commission be filed at or before 5 p.m. Central Time on the due date.

Finally, the amendment eliminates the requirement that each committee submit to the commission periodic account statements from the financial institution designated as having the official depository of all contributions for that committee.

The committee amendment includes an emergency clause.

Bill Avery, Chairperson